Manitoba Aboriginal
and Northern Affairs

Annual Report
2003-2004

Manitoba

MINISTER OF ABORIGINAL AND NORTHERN AFFAIRS
MINISTER RESPONSIBLE FOR
COMMUNITIES ECONOMIC DEVELOPMENT FUND

Room 344
Legislative Building
Winnipeg MB R3C 0V8
CANADA

The Honourable John Harvard, P.C., O.M.
Lieutenant-Governor of Manitoba
Room 235 - Legislative Building
Winnipeg, MB R3C 0V8

Your Honour:

I have the privilege to present for your information the Annual Report of the Department of Aboriginal and Northern Affairs for the fiscal year ended March 31, 2004.

Respectfully submitted,

Oscar Lathlin

Manitoba

Deputy Minister of Aboriginal and Northern Affairs

59 Elizabeth Drive (Box 36)
Thompson MB R8N 1X4
CANADA

Honourable Oscar Lathlin
Minister
Aboriginal & Northern Affairs
Room 344, Legislative Building
Winnipeg MB R3C 0V8

Dear Minister:

I have the honour of presenting the Annual Report of the Department of Aboriginal and Northern Affairs for the fiscal year ending March 31, 2004. I am pleased to report that the Department made significant progress on many policy and program initiatives during the fiscal period.

The department provided leadership on Aboriginal issues in the areas of policy and program development, the negotiation of settlements, community capacity building and promoting communication and relationship building with the Aboriginal communities and organizations. We continued to advocate for new national policies at the Federal/Provincial/Territorial/Aboriginal (FPTA) Forum for Ministers of Aboriginal Affairs and Leaders of national Aboriginal organizations. We provided staff support for national and regional initiatives such as *Strengthening Aboriginal Participation in the Economy* and the *National Aboriginal Youth Strategy* and participated on national working groups on key FPTA priorities on Aboriginal education and housing.

The department developed and signed new partnerships with employers to strengthen Aboriginal participation in the economy. In addition, the province signed a Memorandum of Understanding with Canada and the City of Winnipeg for a Winnipeg Partnership Agreement that will focus on Aboriginal participation, building sustainable neighbourhoods, downtown renewal and supporting innovation and technology. Aboriginal and Northern Affairs is leading the development of the component that will focus on Aboriginal participation in the economy and support for projects and initiatives in identified priority areas.

The department made progress in the ongoing efforts to resolve provincial obligations through the negotiation and implementation of Treaty Land Entitlement, and other agreements related to land or northern hydro development. In partnership with the Department of Intergovernmental Affairs, we implemented a Tax Loss Compensation Program and Guidelines for Municipalities where lands are to be converted to reserve status for treaty land entitlement purposes.

.../2

Manitoba Aboriginal and Northern Affairs worked with communities to assist them with the formulation of Community Economic Development plans. In some cases, Community Choices Program funding was secured through the Intergovernmental Affairs Community Round Table process for community and regional round tables. The funding covered costs incurred to host community meetings and planning sessions.

We are undertaking a priority effort to ensure that we achieve the training and mandatory certification of water facility operators and backup operators. During 2003-04 the Department worked closely with Red River Community College and Manitoba Conservation to address the training needs of operators in northern and remote regions.

Officials from the Department are representing the province in important negotiations with Indian and Northern Affairs Canada and South Indian Lake for the creation of a reserve at the community. A major component of the negotiations is the potential transfer of community infrastructure.

Discussions are ongoing with communities that have expressed an interest in working towards incorporation status. I am pleased to indicate that Nelson House Community Council and Seymourville Community Council have successfully completed the process for incorporation status.

I would like to take this opportunity to thank you for your leadership and support for the many innovative initiatives to achieve an improved quality of life that includes enhancement of the education, economic development and employment opportunities for Aboriginal people and northern Manitobans.

Respectfully submitted,

Harvey Bostrom

105-00571/

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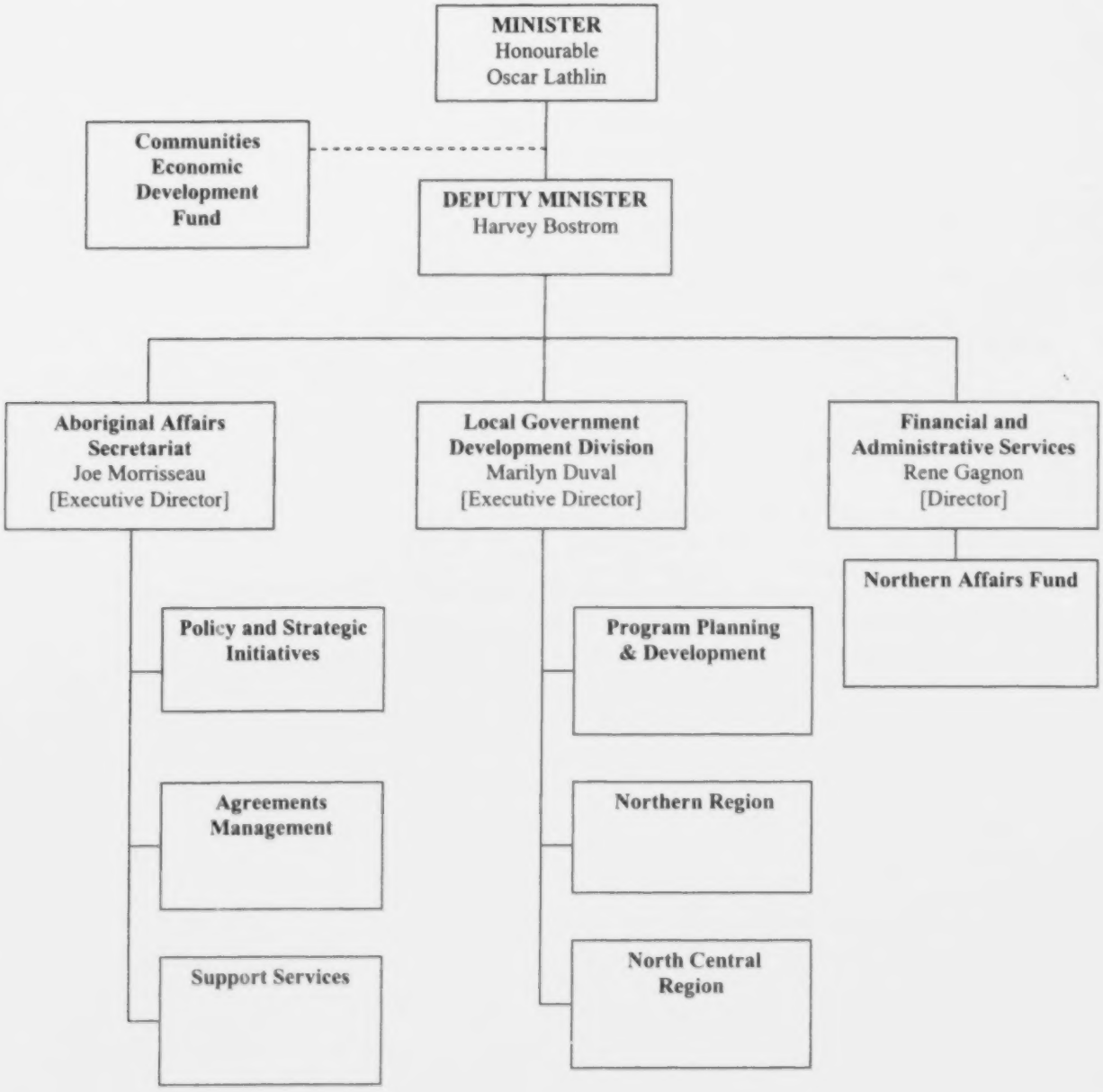
Organization Chart Manitoba Aboriginal and Northern Affairs as of March 31, 2004



Introduction

Report Structure

This Annual Report is organized in accordance with the departmental appropriation structure, which reflects the Department's authorized votes approved by the Legislative Assembly. The Report includes information at the Main and Sub-Appropriation levels relating to the Department's objectives, actual results achieved, financial performance and variances and provides a five-year historical table of departmental expenditures and staffing. Expenditures and revenue variance explanations previously contained in the Public Accounts of Manitoba are now provided in the Annual Report.

Departmental Vision

An improved quality of life and economic conditions for northern Manitobans and Aboriginal people.

Departmental Mission

To facilitate the removal of barriers and the development of better relations between government and the Aboriginal community, leading to successful outcomes for northern and Aboriginal people, based on a common understanding of goals and issues.

Departmental Goals

Strengthen Aboriginal Participation in the Economy

To promote increased employment and sustainable economic growth and development for the northern communities and Aboriginal people.

Strengthen Relations

To develop and strengthen relationships with the Aboriginal community based on mutual respect, trust and understanding.

Strong Community-based Decision Making

To support northern and Aboriginal communities in the development of community based governance and decision-making structures that support self-reliance, choice and control at the local level.

Aboriginal Self Government

To promote the development of Aboriginal self-government.

Social Development

To support the mental, emotional, physical and spiritual well-being of northern communities and Aboriginal people.

Resolution of Provincial Obligations

To resolve outstanding provincial obligations to Aboriginal /northern communities.

Environmental Sustainability

To support northern and Aboriginal communities in ensuring that the air, land and water resources are used in ways that ensure resource sustainability for future generations.

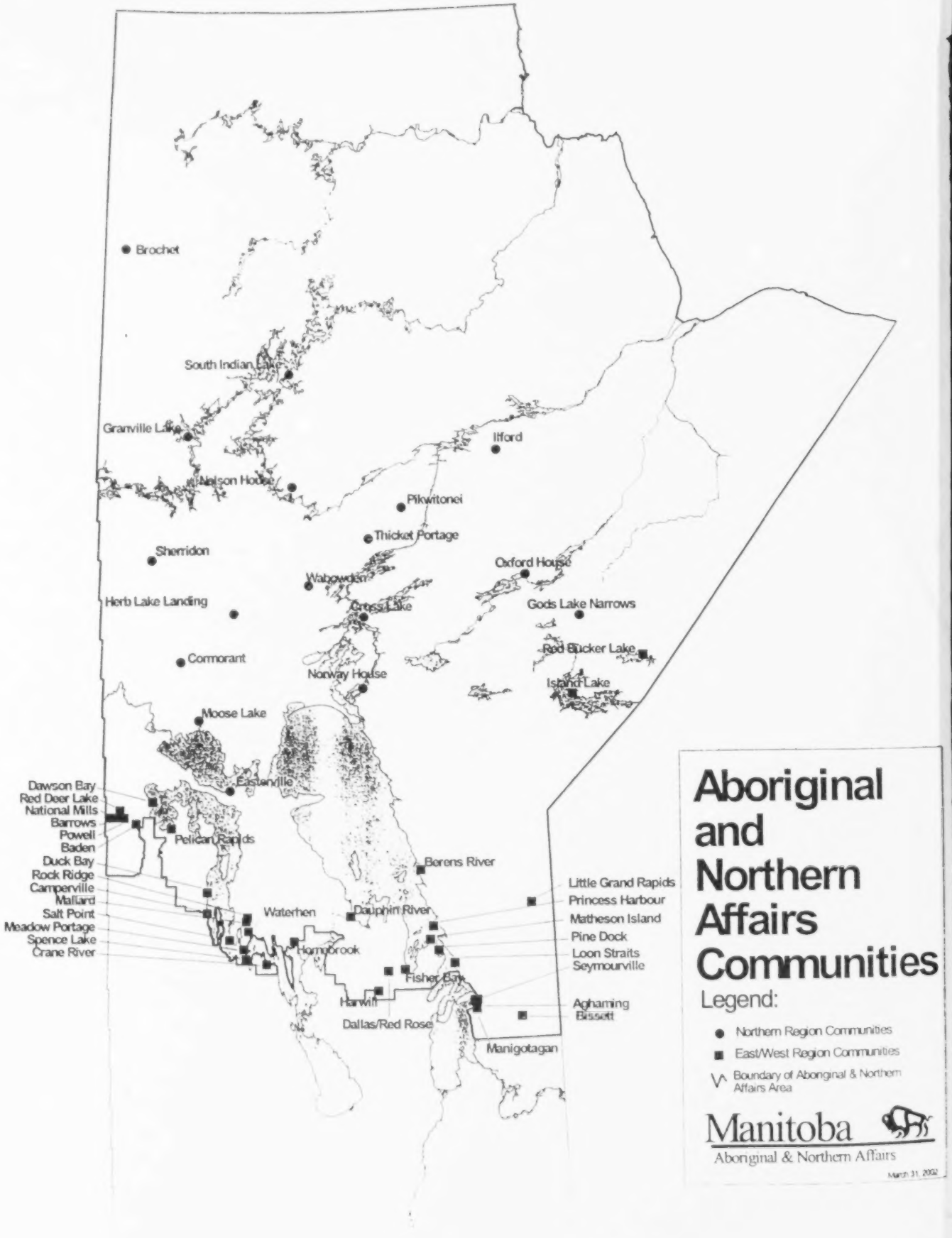
Legislation Administered

The Department of Aboriginal and Northern Affairs is responsible for the following legislation:

- *The Northern Affairs Act*
- *The Planning Act, (Part 9)*
- *The Communities Economic Development Fund Act*

Jurisdiction

The map on the following page shows the area included in northern Manitoba and the location of all designated Aboriginal and Northern Affairs communities over which the Minster has "municipal" authority. Currently, there is 50 Aboriginal and Northern Affairs Communities.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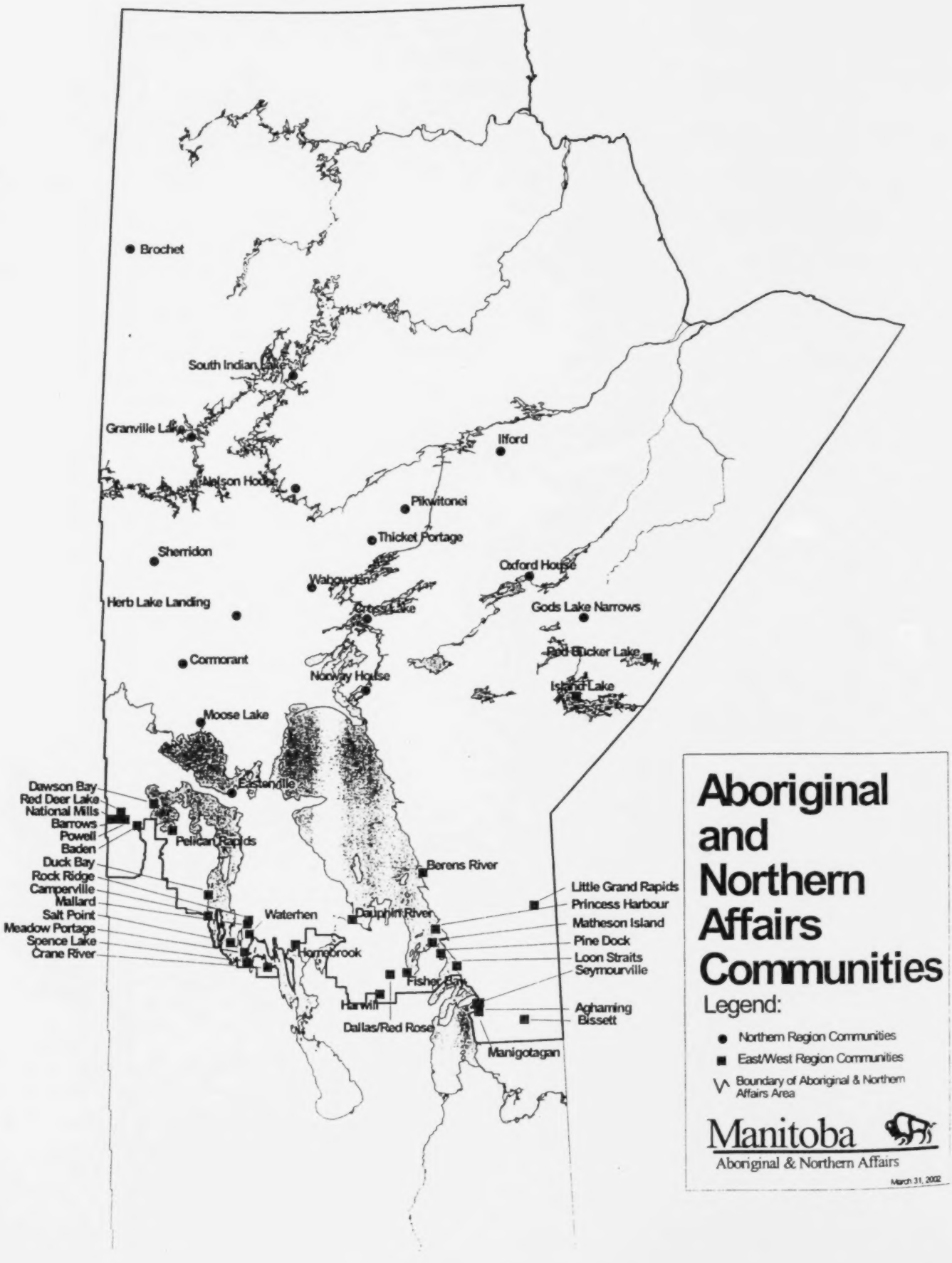
South Indian Lake
Granville Lake
Nelson House
Ilford
Pikwitonei
Thicket Portage
Sherridon
Wabowden
Oxford House
Herb Lake Landing
Cross Lake
Gods Lake Narrows
Red Sucker Lake
Cormorant
Norway House
Island Lake
Moose Lake
Easterville
Dawson Bay
Red Deer Lake
National Mills
Barrows
Powell
Baden
Duck Bay
Rock Ridge
Camperville
Mallard
Salt Point
Meadow Portage
Spence Lake
Crane River
Pelican Rapids
Berens River
Waterhen
Dauphin River
Hornbrook
Fisher Bay
Harwill
Dallas/Red Rose
Manigotagan
Little Grand Rapids
Princess Harbour
Matheson Island
Pine Dock
Loon Straits
Seymourville
Aghaming
Bissett
Aboriginal and Northern Affairs Communities
Legend:
Northern Region Communities
East/West Region Communities
Boundary of Aboriginal & Northern Affairs Area
Manitoba
Aboriginal & Northern Affairs
March 31, 2002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Aboriginal & Northern Affairs
March 31, 2002

Executive Support

Executive Support includes the offices of the Minister and the Deputy Minister and the Northern Regional Cabinet Office located in Thompson.

The Minister's Office provides leadership and policy direction for the department.

The Deputy Minister's Office provides support to the Minister by providing information and advice. The office also provides executive leadership and operational direction towards the implementation of departmental programs. The Deputy Minister is the Chairperson of the Departmental Executive Committee.

The Northern Regional Cabinet Office provides citizens in northern Manitoba with convenient access to government by providing access to members of cabinet and by providing information regarding government programs and the appropriate provincial staff contacts for those programs.

The Department supports government wide initiatives such as the Northern Development Strategy and the Northern Employment initiative, which is a long-term plan to develop the human and natural resources of the North. Its goal is to create opportunities for social and economic changes that benefit all Northerners. At the heart of the strategy is the belief that the priorities, strengths and experiences of Northerners must guide northern development.

Various divisions of the Department are involved in Aboriginal specific programming and ongoing consultation with the Aboriginal communities and organizations in Manitoba regarding the Aboriginal Justice Inquiry recommendations.

19.1(a) Minister's Salary

Expenditures by Sub-Appropriation	Actual 2003/2004 $	Estimate 2003/2004 FTE	Estimate 2003/2004 $	Variance Over (Under)	Expl. No.
Minister's Salary	28.8	1.00	29.0	(0.2)	
Total Expenditures	**28.8**	**1.00**	**29.0**	**(0.2)**	

19.1(b) Executive Support

Expenditures by Sub-Appropriation	Actual 2003/2004 $	Estimate 2003/2004 FTE	Estimate 2003/2004 $	Variance Over (Under)	Expl. No.
Salaries & Employee Benefits	588.4	14.00	790.7	(202.3)	1
Other Expenditures	230.6		237.8	(7.2)	
Total Expenditures	**819.0**	**14.00**	**1,028.5**	**(209.5)**	

1) Salary surplus is due to managing vacancies.

Aboriginal and Northern Affairs Operations

Financial and Administrative Services

Rene Gagnon - Director

Financial and Administrative Services is located in Thompson. The branch provides financial comptrollership, fiscal management, financial advice and administrative support services to the Department. The human resource function for the department is included in this branch (see Consolidated Human Resource Unit Section for details on the departmental human resource function).

The Director of Financial and Administrative Services also fulfills the position of Access Coordinator for *The Freedom of Information and Protection of Privacy Act* and *Personal Health Information Act* as well as provides French Language Services for the Department required by *The French Language Services Act*.

The Objectives of Financial and Administrative Services are:

- To provide fiscal management/controllership to the department as delegated by government statutes/ regulations and policies.
- To provide financial advice and support services to assist the departmental divisions in the achievement of their goals and objectives.
- To ensure that all departmental financial activities adhere to all government regulations, policy, and guidelines including writing/amending all departmental financial policies so that they are consistent with those of the government.
- To provide financial analysis on all departmental programs to departmental managers.
- To prepare the departmental estimates.
- To prepare the department's annual report and quarterly cashflow projections including variance explanations.
- To process Freedom of Information requests within specified deadlines.

Results:

- All financial transactions were monitored for compliance with government and departmental rules and regulations. Non-complying transactions were rejected. The Provincial Auditor noted no incidents of departmental non-compliance.
- All support services were provided within established service standards.
- Advice provided resulted in:
  - the allocation of financial resources so that the maximum benefit was obtained
  - acquiring goods and services in an economical, efficient and effective manner.
- Policies and procedures were reviewed and amended on a priority basis.
- Departmental estimates were prepared in compliance with Treasury Board guidelines.

Sustainable Development Report

- With the proclamation of the Sustainable Development Act the Department has instituted a committee to prepare an action plan to meet provincial sustainable development goals. The Director of Financial and Administrative Services is the head of this committee. The following provides an overview of the activities undertaken with this initiative.

In December 2000, Cabinet adopted *Manitoba's Sustainable Development Procurement Guidelines* and directed Manitoba's Procurement Council, to oversee implementation of *The Sustainable Development Act* requirements for Procurement Guidelines, Goals, Organizational Action Plans, and Reporting.

Aboriginal and Northern Affairs prepared an Action Plan that addresses the needs and support the five *Sustainable Development Goals* established by the *Manitoba Procurement Council*. The activities and the actions of the plan can be summarized as follows:

- Increase awareness and knowledge of sustainable procurement practices
- Reduce toxic substance use and purchase by 5%
- Divert solid waste from landfill by 25%
- Reduce consumption and emission of fossil fuels by 5%
- Increase ethanol blended fuel use to 10% of total vehicle fuel purchase
- Reduce total annual consumption of utilities by 15% by 2008
- Increase use of environmentally preferable products and services
- Increase participation of Aboriginal peoples and suppliers, small and community based businesses and co-ops, and the development and growth of local environmental industries and markets.

The Department is particularly interested in the increased participation of Aboriginal people and suppliers in this initiative. The key benefit anticipated, through these initiatives are:

- Stimulation of Aboriginal business development;
- Long term viability of Aboriginal businesses;
- Facilitation of enhanced Aboriginal business capacity;
- Creation of new employment opportunities; and
- Enhancement of the economic self-sufficiency of communities.

As of March 31, 2004, Aboriginal and Northern Affairs continues to strive to achieve the established specific expected results (targets) to be attained in support of the government wide initiative. The department uses recycled paper only. Increased usage of recycled products is a key component of this plan. Printers in the department have the capacity to double-side printing, reducing the paper consumption within the organization. The department has also provided information to staff in respect to changing driving habits and reducing gasoline consumption.

Staff in the organization are encouraged to support the department in attaining the targets defined. The department continues to strive to attain the targets of the activities defined in the Sustainable Development Plan and look forward to providing positive results for years to come.

19.2(a) Financial and Administrative Services Division

Expenditures by Sub-Appropriation	Actual 2003/2004 $	Estimate 2003/2004 FTE	Estimate 2003/2004 $	Variance Over (Under)	Expl. No.
Salaries & Employee Benefits	356.8	7.00	401.4	(44.6)	
Other Expenditures	116.2		116.2		
Total Expenditures	**473.0**	**7.00**	**517.6**	**(44.6)**	

Consolidated Human Resources Unit

The Human Resource Services function for the Department of Aboriginal and Northern Affairs, Transportation and Government Services and Conservation is consolidated into one unit. The Unit provides leadership and support in Human Resource Management and Pay and Benefit Services for the three departments under one Director reporting to the respective departmental Deputy Ministers. The Consolidated Human Resource Unit provides service out of 2 centres. One centre is located in Winnipeg with a full time Human resource consultant providing service to the Aboriginal Secretariat Division. The other Unit is located in the City of Thompson and offers the same full range of human resource management to the Northern Divisions of Local Government development and Administration and Finance division. As well the office located in Thompson provides full pay and benefit services to all Northern Affairs employees. The Northern Unit consists of a Human Resource Consultant, and two Pay & Benefits Administrators. This Unit reports to the Director of the Consolidated Human Resource Unit and is the only Consolidated Human Resource Unit with services in the north.

The services include human resource planning and management, recruitment and staffing, compensation and benefits, job classification, labour and employee relations, training and development, performance management and employment equity.

The Unit operates under delegated staffing and classification agreements with the Civil Service Commission whereby all Human Resource staff in the Unit have delegated authority for all three departments.

Accomplishments Specific to Aboriginal and Northern Affairs

- Staffing activity included fifteen permanent and term staffing actions, as well as one term extension. There are currently no selection decisions being appealed at this time.
- On-going provision of payroll and benefit administration out of Thompson;
- Full working level of two Human Resource Consultants to provide human resource assistance, advice and guidance to all department staff and management;
- Active participation in Access programs at both University College of the North in The Pas and Thompson;
- Employment Equity is factored into all staffing actions within the Department. The departments Employment equity strategy includes a statement in all recruitment ads that indicate "preference" will be given to Aboriginal candidates".
- Department representation is:

EMPLOYMENT EQUITY GROUP	EMPLOYEES	PERCENTAGE	VARIANCE + OR -
Female	43	52.4%	+0.4%
Aboriginal	35	42.7%	+2.7%
Disabled	3	3.9%	= 0.0%
Visible Minority	2	2.4%	+1.2%

- Ongoing classification services to the department, there were no classification decisions appealed;
- Provision of guidance and advice to management on labour relations, including appropriate action and negotiating settlements to resolve issues before the formal grievance stage. There were two formal grievances filed, one has been resolved and one remains out standing.
- Provision of guidance and support to management in organizational review and structural design matters such as;

Financial and Administrative Services (continued)

- The Department of Aboriginal and Northern Affairs has now begun the next step towards integrating competencies into their Human Resource programs - job profiling. Using the competency model, the department has completed the behavioral and technical profiles for their executive and senior level manager positions as well as the Consultant role in our department.
- The department has now implemented the competency based model for training and development of Department employees.

Northern Affairs Fund

Rene Gagnon - Director

The Minister of Aboriginal and Northern Affairs has the authority under Section 11 of *The Northern Affairs Act* to open and maintain bank accounts for the operation of the Northern Affairs Fund. The Fund maintains two bank accounts. One account is the "Specific Purpose Funds Account." This account is used to account for all monies advanced to the Minister for any specific purpose. The main purpose is to administer funds on behalf of designated communities within the jurisdiction of Aboriginal and Northern Affairs in compliance with *The Northern Affairs Act*. Other specific activities include the Municipal Employees Benefit Plan (for community employees), cottage sub-division levies and various "northern" programs/projects administered by Aboriginal and Northern Affairs for various other government departments and other agencies.

The second account is the "Taxation Account." This account is used to account for all monies received by virtue of the Minister's municipal taxation powers (per Section 5 of *The Northern Affairs Act*). *The Assessment Act* and *The Municipal Affairs Act* apply to the municipal tax collection system.

Branch staff administer the activities of the Northern Affairs Fund within applicable statutes and regulations in a manner consistent with departmental policies for development of local government autonomy. Branch staff monitor individual Aboriginal and Northern Affairs communities' financial and operational results by requiring that community auditors provide an opinion on their financial statements, report on adherence to various Acts, Regulations and Agreements, and provide a management letter commenting on the community's management control procedures. Branch staff review these reports and advise appropriate management of significant deficiencies and make recommendations for corrective action.

The Objectives of the Northern Affairs Fund are:

- To administer funds on behalf of designated communities within the jurisdiction of Aboriginal and Northern Affairs in compliance with *The Northern Affairs Act*.
- To provide accounting and trust services in support of the delivery of various government programs.
- To administer the property tax system within the jurisdiction of Aboriginal and Northern Affairs in a manner consistent with accepted municipal practices.
- To administer the municipal employee benefits program for northern communities.
- To administer community audit program including analysis of the audited financial statements, audit reports and management letters and reporting analysis results to management.
- To provide accounting and trust services to cottage subdivisions within Aboriginal and Northern Affairs' municipal jurisdiction.
- To prepare the Northern Affairs Fund financial statements.

Results:

- The total revenue in the Trust Fund for 2003/2004 was $21,743,522 managed in 24 programs. The major sources of revenue are:

  $16,567,006 from Aboriginal and Northern Affairs' appropriations
  $2,166,612 in tax revenue [2003 calendar year]
  $2,046,086 in Provincial-Municipal Tax Sharing Grant funds distributed to northern communities and First Nations in Manitoba
  $273,154 administered for 13 cottage subdivisions in northern Manitoba.

- The Provincial auditor gave an unqualified opinion on the Financial Statements of the Northern Affairs Fund for the year ending March 31, 2003. These statements are available upon request. The audits for March 2004 are due before September 30, 2004.

- Administered the "Municipal Employees Benefit Plan (MEBP)" for the benefit of employees of 26 northern communities.

- For the fiscal year ending March 31, 2004 of 38 communities require an audit opinion, 27 received an unqualified opinion, 7 received a qualified opinion, 1 received a denial of opinion and 1 audit report was outstanding as of March 31, 2004. In comparison for the fiscal year ending March 31, 2002, of communities for which audit opinions were required, 17 received an unqualified opinion, 14 received a qualified opinion and 4 received a denial of opinion, and 1 report was outstanding as of March 31, 2003.

19.2(B-4) Northern Affairs Fund

Expenditures by Sub-Appropriation	Actual 2003/2004 $	Estimate 2003/2004 FTE	Estimate 2003/2004 $	Variance Over (Under)	Expl. No.
Salaries & Employee Benefits	199.3	4.00	220.2	(20.9)	
Other Expenditures	56.3		56.3		
Total Expenditures	**255.6**	**4.00**	**276.5**	**(20.9)**	

Programs and Operational Support

Marilyn Duval - Executive Director

The Executive Director advises the Minister and Deputy Minister on technical and managerial matters related to program development, implementation and service delivery. Programs and Operational Support develops and facilitates inter-departmental partnerships that support economic and local government development in northern Manitoba. It also supports and promotes incorporation as a means for communities to realize greater autonomy. It leads and supports the activities of the Northern Region, the North Central Region and the Program Planning and Development branch. These three operational areas are collectively referred to as the Local Government Development Division.

The Local Government Development Division provides for the municipal requirements of 50 designated northern and remote communities and is committed to the advancement of independent, sustainable local government through a process of partnership and consultation. This commitment is guided by three central objectives:

Good Governance - To support the development of responsible local government through elected community councils, local planning, sound fiscal management, the delivery of municipal services and accountability to local electors.

Improved Quality of Life - To promote a safe and healthy community environment including: community compliance with the Canadian Guidelines for Drinking Water Quality (CGDWQ) and environmental regulations, facilitation of the development and implementation of community recreation and wellness programs, public safety through support for crime prevention, fire safety programs and emergency planning, and strategic economic development in support of sustainable communities and a stronger economy in northern Manitoba.

Holistic Community Development – To support and facilitate community development initiatives that are community-driven, sustainable and collaborative, in partnership with community councils, other provincial departments, jurisdictions and organizations.

Initiatives and activities in support of these goals include:

Planning and Development Workshops

The Division presented its *Next Steps Action Plan* and 5 year strategic plan to community representatives at the Northern Association of Community Council's annual meeting in August, 2003. Plans, based on community identified priorities, were shared in a demonstration of our commitment to good communication and accountability to stakeholders. As part of our cycle of planning and continuous improvement Local Government Staff met in March, 2004 to network and focus on ways to achieve greater efficiency and effectiveness in delivering our mandate.

Incorporation

The communities of Seymourville and Nelson House were incorporated by regulation on April 1, 2004 and we expect Norway House and Cross Lake to follow in 2005-06.

Our staff worked on the transition of these communities to incorporated status through community presentations, development of an "Incorporation Manual" and establishing of an implementation team. Additional resources are being brought in to support the transition and to assist these communities maximize the benefits and opportunities associated with their new status and increased autonomy.

South Indian Lake Negotiations

A committee being led by Local Government Division personnel is representing the department in negotiations with Canada (INAC) and South Indian Lake (SIL) for the creation of a reserve at SIL. A major component of the negotiations is the transfer of infrastructure and housing. The assets being transferred must meet standards imposed by Canada and work continues on the file.

Northern Development Ministers Forum (NDMF)

The NDMF, a federal/provincial/territorial forum, was established in 2001 with the mandate to advance the diverse and common interests of northerners, as well as to raise awareness of the accomplishments, contributions and potential of Canada's North.

Each year the Northern Development Ministers establish priority projects to address distinct northern development opportunities and challenges. Priority projects completed or underway include:

Northern Awareness Enhancement Campaign - A strategy on how to generate a greater awareness of the North to decisions-makers and the public.

Northern transportation Investment Strategy - A presentation and communication plan in support of a consolidated strategy to lobby decision-makers about the importance of investment in northern infrastructure.

Recruitment and Retention - A discussion paper on the best practices used by private and public sector organizations to attract and retain a skilled workforce in the North.

Innovation & Science: Using the Innovation Agenda for Northern Development - A discussion paper on how the federal innovation agenda can be used for the benefit of Northern economies.

Maximizing the Economic and Social Impacts of Major Northern Projects - To develop a model (best practices) to guide government and private partners in realizing maximum economic and social benefits from major northern investment projects.

Departmental personnel have made a significant contribution to the Recruitment and Retention project, and are now leading the Northern Transportation Investment Strategy project. They are also coordinating Manitoba's contribution to a national Northern Awareness Campaign.

Provincial Initiatives

- Local Government Development staff participated in a number of Provincial initiatives including the Northern Development Strategy, The Northern Hiring Strategy, the Northern Food Prices Initiative, the Community Economic Development (CED) working group and the Sustainable Development Initiative.

Northern Development Strategy (NDS)

The Provincial Government has identified five priority areas for northern development. The work of the Local Government Development Division supports development in these five areas as follows:

Economic Development

- Five community councils with assistance from the Local Government Development Division are progressing toward incorporation. One of the strong motivating factors for incorporation is to facilitate the development and conduct of business enterprises and ventures that require a legally incorporated body as a vehicle for transacting business
- Communities that incorporate are eligible to receive annual funding of $25.0 each for three years to engage in economic development initiatives
- Community Development Corporations are promoted and created in communities to stimulate and support local economic development
- Community and Regional Round Tables have been, and continue to be supported by Aboriginal and Northern Affairs and Intergovernmental Affairs
- Community Economic Development (CED) workshops and enhancing the use of non-timber forest products
- Federal/Provincial/Territorial Northern Development Ministers' Northern Awareness Campaign
- Northern Association of Community Councils web site development and pilot project with five to seven communities

Education and Training

- Training for northern communities is focused on: .
    - strengthening administrative capability through training for community clerks and administrators
    - improving the condition of infrastructure through training for public works employees
    - mandatory certification of water and waste water treatment plant operators through Red River Community College
    - $5.0 bursary in Engineering and Civil Technology awarded to four students each year for the past two years
    - Northern Links Workshop - annual training event for northern recreation directors and supervisors

Transportation

- Study of northern roads in partnership with Transportation and Government Services
- Completion of major multi-year road projects in Cross Lake and Norway House

Health

- Upgrade of water treatment facilities
    - Pikwitonei
    - South Indian Lake
    - Cross Lake
- Upgrade of wastewater treatment facilities
    - South Indian Lake Lagoon
    - Cross Lake Lagoon
- Support the ongoing development of community recreation programs
    - Wellness and Recreation Fund to address barriers to participation and encourage new community recreation/wellness initiatives, for example the purchase of equipment and supplies for programs and activities

Housing

- Promoted the Affordable Housing Initiative and other housing programs in a special issue of the divisional newsletter devoted to housing.
- Hosted representatives from Manitoba Housing and Renewal Corporation at a clerks' workshop to discuss housing initiatives

Bursary and Employment Program

- For the second of three years, the Department provided a bursary through the Helen Betty Osborne Memorial Foundation to four Aboriginal students enrolled in engineering or civil technology. In November of 2003, the four students selected for the bursary received $5.0. Two of the bursary recipients have accepted summer employment with the Department.

Civil Technology Work Experience

- Regional operations provided work experience for three civil technology students.

Aboriginal Student Program

- One Aboriginal student was hired for a summer placement.

Aboriginal Management Development Program (AMDP)

- The Local Government Development Division was able to place an AMDP Intern in the Program Planning and Development Branch for a five and a half months term.

19.2 (b-1) Programs and Operational Support

Actual Expenditures by Sub-Appropriation	Estimate 2003/2004 $	Variance 2003/2004 FTE	$	Over (Under)	Expl. No.
Salaries & Employee Benefits	198.0	3.00	199.4	(1.4)	
Other Expenditures	74.2		91.4	(17.2)	
Community Operations	8,667.9		8,095.4	572.5	
Regional Services	467.5		478.5	(11.0)	
Grants	273.7		273.7		
Total Expenditures	**9,681.3**	**3.00**	**9,138.4**	**542.9**	

Northern Region
North Central Region

The Northern Region and North Central Region consult, facilitate and provide support to community councils, community employees and contact personnel in 50 communities in the unorganized territory of northern Manitoba. Assistance is available to communities through offices in Thompson, The Pas, Dauphin and Winnipeg on many aspects of local government including: finance and administration, planning, delivery of municipal services, human resource management, election procedures, legal issues such as by-laws, land use planning, contracts and agreements, the identification and development of economic opportunities, the operation and maintenance of water and wastewater treatment facilities, the operation of solid waste sites, capital project engineering and design, the planning and delivery of infrastructure projects, the development and delivery of recreation and wellness programs as well as protective services which includes fire and constable programs and emergency planning.

Development activities are facilitated in partnership with other departments, jurisdictions and agencies whenever possible.

The two Regions deliver their mandate through the following programs:

Municipal Administration Program

This program is intended to support the development of administrative and management skills and local governance.

- The Department continues to work with community clerks and administrators to build and strengthen administrative skills. In response to past challenges associated with the conversion to accrual accounting and computerized accounting we have partnered with the private sector to provide training opportunities for community administrative staff.

- A one-day workshop for elected community representatives was held at the Northern Association of Community Councils annual general meeting in August, 2003.

- The training and the support from our municipal development consultants bring positive results in terms of improved community audits. For the year ended March 31, 2003, of the 37 communities reporting, 73% received unqualified audits - an improvement of 24%; 24% received qualified audits - an improvement of 8%; with only 1 audit denial versus 7 the previous year.

- We are also taking measures to ensure that communities have access to current computer technology to support communication and administrative requirements.

- A Municipal Administration Committee comprised of field and support staff conducted reviews and recommended improvements to policy and procedural issues impacting community administration.

- Work is progressing on draft legislation for the new *Northern Affairs Act*.

Community Resource Development Program

This program coordinates economic development activity and assists communities identify economic development opportunities and partners.

- Manitoba Aboriginal and Northern Affairs has been working with communities to assist them with the formulation of Community Economic Development (CED) plans. In some cases, Community Choices Program funding has been secured through the Intergovernmental Affairs Community Round Table process for community and regional round tables. The funding covers costs incurred to host community meetings and planning sessions.

- The Division's grassroots approach takes into consideration the social, economic, environmental and cultural concerns of the community in developing each CED plan. The process begins with an open community CED workshop featuring discussions on what is CED. It proceeds with development of a community vision and identification of the community's assets and opportunities. Once the community has identified its opportunities, information sessions are organized so the community can make informed decisions on directions they would like to take to achieve their goals.

  The community is then assisted with developing action and implementation plans for identified opportunities. Assistance is also provided to identify human and financial resources for further development.

- Open community CED workshops held included: Highway 77 Regional Round Table (Barrows, Powell, National Mills, Baden and Red Deer Lake), Seymourville, Manigotagan, Bissett, Matheson Island, Duck Bay and Camperville. All are now working on action plan implementation.

- The Nopiming United Round Table, a new regional round table, was created with neighbouring First Nation communities to work on a more regional CED strategy. It was developed with input from the communities of Seymourville, Manigotagan, Bissett, Aghaming, Loon Straits, Hollow Water First Nation, and Little Black River First Nation.

- Local resources have been a topic at all the round tables and regional round tables to date, and work is proceeding to identify value-added initiatives to insure more local participation and creation of more local jobs.

- Unincorporated Northern Affairs communities are not independent legal entities and are limited in the pursuit of economic development ventures. However, we have been working with Intergovernmental Affairs and communities to set up Part XXI Community Development Corporations (CDCs). These CDCs will become the economic development arm of each community. Matheson Island, Seymourville and Manigotagan have set up and incorporated CDCs and more northern communities are expected to follow their lead in 2004-05.

Public Works Program

Technical Consultants facilitate and support activities related to the construction and maintenance of community infrastructure. Preventative maintenance is a key component of this program.

- There is an ongoing concern for the training and mandatory certification of water facility operators and backup operators. During 2003-04 the Department continued to work closely with Red River Community College and Manitoba Conservation to address the training needs of operators in northern and remote regions.

- The Division hosted a regional workshop in Pine Dock for public works employees. Twenty-three employees and council members from thirteen communities attended sessions on equipment maintenance, recycling, fire prevention and chemicals - use, purpose and handling.

- In partnership with Transportation and Government Services, long range planning and the identification of future funding requirements for transportation infrastructure was initiated. This study involves an in-house inventory of transportation infrastructure including internal roads, access roads and bridges, noting condition, age and type of construction. It will also include a functional classification of roads - residential, collector or access roads.

  The collection of data will take place over a two-year period after which the study will move to a design phase. The department has acquired GPS technology and laptop computers to facilitate data collection. Staff completed training to upgrade skills related to the global positioning systems to be used in the study.

  The study will consider issues of drainage, over-building to extend the life of roads in the North, where mobilization and construction costs are high, as well as the coordination of water and wastewater line construction with road construction.

- The department initiated a Workplace Safety and Health Committee to develop and deliver a workplace safety and health program for implementation at the community level. Work on the program will continue in 2004-05 fiscal year.

Environmental Services Program

Environmental Consultants support the operation and maintenance of water and wastewater treatment facilities and waste disposal grounds. Matters of particular concern at present continue to be the mandatory certification of water operators and the assessment and upgrading of water and wastewater facilities.

- As with other jurisdictions and local authorities, the Department and community councils are challenged with increasing costs, more rigorous standards and more complex technology related to the treatment of drinking water.

- Support for the upgrading, operation and maintenance of community water and wastewater treatment facilities and waste disposal grounds continues to be a priority.

A water treatment study led by Aboriginal and Northern Affairs, Manitoba Conservation and the Manitoba Water Services Board between 2001 and 2003 identified 38 communities where water treatment plants will have to be upgraded to meet Canadian Drinking Water Standards. The consultant's report, delivered in 2002-2003, estimated the cost of water treatment plant replacements at $28.2 million with an increase in annual operating and maintenance of $200.0

In 2001 the department's capital budget was increased by $750.0; in 2002 an additional increase of $2.2 million was received and in 2003 another $1.0 million was allocated to address the need to upgrade water treatment plants.

To date water treatment upgrades have been completed in Pikwitonei, Cross Lake, Camperville, and Cormorant with work in progress in Waterhen and Red Sucker Lake.

- In partnership with Manitoba Conservation a consultant was engaged during 2002-03 to inspect and report on 26 wastewater treatment facilities. The estimated cost to upgrade facilities was $11.7 million with an increase of $400.0 in annual operating costs.

  To date wastewater treatment upgrades have been completed for sewage lagoons in Brochet, South Indian Lake, Easterville and Cross Lake and the Cormorant sewage treatment plant.

  Water distribution lines are under review in terms of bringing as-built drawings up to date, identifying required maintenance and installing clean-outs. These items will be addressed on a priority basis.

- Many of these upgrades were made possible through project funding from the Manitoba Water Power Rental Agreement and the Canada-Manitoba Infrastructure Program (CMIP). Under the last CMIP Agreement, northern projects enjoyed a much higher approval rate, receiving 20% or close to $10 million of the $54 million program.

Protective Services Program

The goals of the Protective Services Program are to ensure that adequate and appropriate fire protection is available within communities, that communities are safe from crime and that local authorities have the capacity to respond to emergency situations.

A major review of the Fire and Constable program was substantially completed in 2003-04. The review was done in consultation with the Office of the Fire Commissioner (OFC), Manitoba Emergency Measures Organization (MEMO), Manitoba Justice and the RCMP.

- In 2003, a comprehensive review was done by the OFC that looked at issues of liability and risk. The Department also noted the impact of increased cost of fire trucks, turnout gear and breathing apparatus as well as higher standards for equipment, safety and training.

- Based on risk assessment, we are considering options that will address the safety issues of northern communities while making the best use of resources with consideration of the capacity of each community to sustain effective local services. Increasing costs of equipment and higher training standards are among the challenges faced by the department and community leaders.

- With respect to the Constable Program, the RCMP work very closely with community constables. They conducted a two-week training session in February for both First Nation and community constables and remain very supportive of the program and the role played by local constables. The fact that a number of community constables have gone on to become members of the RCMP is evidence of the program's success.

- Our staff is working closely with MEMO and community councils to upgrade emergency plans to ensure compliance with the *Emergency Measures Act*.

Recreation and Wellness Program

This program is intended to assist communities improve quality of life through recreational opportunities and wellness promotion.

- In January 2004 a Community Recreation Workshop was held for a representative group of council members and recreation directors from both full-time and part-time recreation programs.

- Changing demographics and community needs necessitate further review of recreation funding allocation and delivery methods. Feedback from community representatives will inform any future changes. As a result of a program review, recommendations were approved by management in areas relating to training, accountability, communications, development of professional staff, strengthening partnerships and funding allocation.

- Our Recreation and Wellness Consultants continue to build networks with provincial recreation bodies and support community recreation and wellness programming. Support includes funding for new local initiatives through our Wellness and Recreation Fund and support for participation in the Indigenous Summer Games.

- The Northern Links Workshop hosted by the Department in September 2003 was again well attended with 26 participants from across the North.

19.2(b-2) Northern Region

Expenditures by Sub-Appropriation	Actual 2003/2004 $	Estimate 2003/2004 FTE	Estimate 2003/2004 $	Variance Over (Under)	Expl. No.
Salaries & Employee Benefits	802.4	14.00	900.5	(98.1)	(1)
Other Expenditures	366.0		346.1	19.9	
Total Expenditures	**1,168.4**	**14.00**	**1,246.6**	**(78.2)**	

(1) Salary surplus is due to managing vacancies.

19.2(b-3) North Central Region

Expenditures by Sub-Appropriation	Actual 2003/2004 $	Estimate 2003/2004 FTE	Estimate 2003/2004 $	Variance Over (Under)	Expl. No.
Salaries & Employee Benefits	857.8	13.00	826.6	31.2	
Other Expenditures	279.5		277.8	1.7	
Total Expenditures	**1,137.3**	**13.00**	**1,104.4**	**32.9**	

Program Planning and Development Services

The Program Planning and Development Branch provides consistent policy and program development; strategic and operational planning and performance measurement support; communication services; resource manual development; and research and analytical capability in support of local government and community development. In addition to support provided to specific program areas, the branch achieved the following during 2003-04:

Communication

- Updated *Community Profiles* and issued in print, on CD and departmental web site
- Presented *Next Steps* update at NACC annual gathering
- Planned and facilitated regional and divisional staff workshops
- Published *Community Contact* newsletter
- Implemented a system for tracking initiatives and projects for purposes of scheduling news releases and events.
- Coordinated publication of Northern Food Prices Review Report

Planning and Performance Measurement

- Coordinated strategic and operational planning and the gathering, interpreting and reporting on performance indicators
- Provided staff support for departmental planning process

Elections

- Coordinated the community election process and responded to election petitions and conducted re-counts
- Revised and reprinted the *Election Officials Handbook*

Employee Recognition Program

- Chaired and implemented an employee recognition program for the Division
- Developed, implemented and coordinated a recognition program for community employees. Certificates for long service were presented to community volunteers and elected representatives by the Minister at the NACC annual gathering in August of 2003.

19.2(B-5) Program Planning & Development Services

Expenditures by Sub-Appropriation	Actual 2003/2004 $	Estimate 2003/2004 FTE	Estimate 2003/2004 $	Variance Over (Under)	Expl. No.
Salaries & Employee Benefits	400.3	6.00	417.7	(17.4)	
Other Expenditures	99.5		99.6	(.1)	
Total Expenditures	**499.8**	**6.00**	**517.3**	**(17.5)**	

Aboriginal Affairs Secretariat

Joe Morrisseau – Executive Director

The Aboriginal Affairs Secretariat's priority is to bring a focus to Aboriginal quality of life issues. The Secretariat endeavors to provide a global perspective, across government, of progress toward achieving quality of life for Aboriginal Manitobans.

Aboriginal Affairs promotes innovative policy and program development through identification of the needs of Aboriginal people, through the provision of accurate, relevant, timely information, and through the development of partnerships with the Aboriginal community, other government departments, other levels of government, and the private sector.

The Secretariat undertakes the coordination, negotiation, analysis and implementation of initiatives, arrangements and agreements which impact on northern Manitoba, its communities, residents, land base and related programs.

Support Services

Support Services objectives are:

- To provide the department with coordination and monitoring of information technology activities.
- To provide Aboriginal Affairs Secretariat with quality administrative management services, including financial administration, basic human resource services, management reporting, information technology management, and administrative support services.
- To provide Aboriginal Affairs Secretariat with technical research and special project support.

Results:

- Participated with other provincial government departments on the provincial Information Technology Council.
- Coordinated and monitored departmental information technology activities for adherence to standard government policies and practices.
- Efficient use of human and financial resources in reaching the program objectives.
- Support services were provided within established service standards.

19.2(C-1) Support Services

Expenditures by Sub-Appropriation	Actual 2003/2004 $	Estimate 2003/2004 FTE	Estimate 2003/2004 $	Variance Over (Under)	Expl. No.
Salaries & Employee Benefits	314.3	6.50	329.6	(15.3)	
Other Expenditures	82.4		83.3	(.9)	
Total Expenditures	**396.7**	**6.50**	**412.9**	**(16.2)**	

Agreements Management

To ensure the negotiation and successful implementation of settlements that will, collectively and individually, resolve land and other issues that relate to hydroelectric development, treaty land entitlement and other land exchange and/or land use related agreements.

Activities:

Promoted the development of better relations and an atmosphere of partnership and trust between government and the Aboriginal community:

- through informational presentations to government and non-government groups,
- through the coordination of forums for information sharing between government departments and Aboriginal organizations who share common goals and issues.

Established and maintained contacts and working relationships with other jurisdictions, provincial government departments, organizations and other Aboriginal/northern interests in support of northern Manitoba, its communities and residents.

Continued the negotiation and resolution of Manitoba's obligations under the Northern Flood Agreement (NFA).

- Developed and implemented processes and programs with Cross Lake First Nation, Canada and Manitoba Hydro.
- Conducted land exchange process including the surveying of land exchange sites at Cross Lake and Norway House.
- Participated in discussions with the Cross Lake Trappers' Association.

Continued implementation activities related to signed NFA Comprehensive Implementation Agreements (CIA's) with Tataskweyak Cree Nation (formerly Split Lake Cree First Nation), Nisichawayasihk Cree Nation (formerly Nelson House First Nation), York Factory First Nation and Norway House Cree Nation.

- Participated on and provided ongoing support to four resource co-management boards.
- Coordinated land transfer process for lands designated to be reserve under NFA CIA's.
- Coordinated the surveying of permit and fee simple land as specified in the Comprehensive Implementation Agreements.

Coordinated the NFA arbitration process for Cross Lake First Nation and other individual claims under the NFA, including conducting the process and selection of a new Arbitrator.

Continued discussions toward settlements for adverse effects of hydro projects with the communities of Norway House, Cross Lake and Nelson House and War Lake First Nation.

Negotiated claims with non-NFA communities impacted by hydro development.

- Participated in the negotiation of a settlement agreement with Fox Lake First Nation and Manitoba Hydro.
- Participated in the negotiation of a settlement with the Grand Rapids fishermen.
- Participated in the initial negotiations and discussions with Thicket Portage and Pikwitonei.

Final settlement agreement reached with Chemawawin Cree Nation and community of Easterville.

- Initiating implementation of agreement, starting with Resource Co-Management Board.

Continued development of final settlement agreements with the Grand Rapids Forebay community of Moose Lake and the Mosakahiken Cree Nation.

Continued negotiations with Canada and Peguis First Nation to address outstanding Treaty Land Entitlement (TLE).

Continued implementation of 19 signed TLE agreements between Manitoba, Canada and the various 19 First Nations, for processing land selections and acquisitions.

- Continued to develop and establish implementation dispute resolution/mediation/arbitration process of the TLE Framework Agreement through the Implementation Monitoring Committee (IMC) and the Senior Advisory Committee (SAC).
- Developed a support strategy for municipalities and First Nations considering conversion to reserve land within municipal boundaries.
- Worked with the department of Intergovernmental Affairs in the development and implementing processes to address tax loss and other municipal issues related to TLE land selections and acquisitions.
- Led the Provincial Implementation Team in evaluating and processing TLE land selections.
- Continued the Crown land transfer process involving 894,049 acres selected under the Framework Agreement and 117,200 acres under other TLE agreements as of March 31, 2004. Under the Framework Agreement 146,538 acres have been approved for survey; 36,395 acres transferred to Canada with 6,170 acres converted to reserve. Under other TLE agreements, 96,488 acres transferred to Canada with 86,902 acres converted to reserve.
- Participated in the development of Agreed Forms to facilitate the implementation of TLE.
- Provided public information regarding the implementation of the TLE Framework Agreement and detailed information to municipalities and other stakeholders where necessary.
- Representatives of Manitoba, Canada and the TLE First Nations continue to discuss and resolve implementation issues relevant to outstanding TLE selections.

Provided information and support to those First Nations considering the signing of Treaty Land Entitlement (TLE) agreements under the Framework Agreement.

Continued the TLE Crown land selection and acquisition process for other TLE agreements.

- Garden Hill, Swan Lake, Long Plain, and Roseau River.

Coordination activities/initiatives include:

- Led the provincial negotiation process toward a settlement of land exchange related to provincial road right-of-way across the Waterhen Reserve.
- Provided provincial participation along with the departments of Education and Training and Conservation, on the Board of Directors for the Churchill Northern Studies Centre.
- Participated on the Churchill Rocket Range and Research Committee.
- Participated in discussions with Peguis First Nation regarding flooding and mould issues related to the chronic flooding conditions in the Fisher River system.
- Participated on various committees and working groups toward economic development of Aboriginal and northern Communities.
- Participated in discussions towards the development of a Métis Policy.
- Participated on Federal/Provincial Forestry Working Group and Federal/Provincial Fisheries Working Group.

- Provided lead role in Emergency Radio TeleCom service in Northern Manitoba.

Major Accomplishments include:

Negotiated and signed Agreements-in-Principle along with Manitoba Hydro, with the communities of Cross Lake and Norway House. These Agreements-in-Principle set out the details for reaching final settlement agreements for impacts related to past hydroelectric projects.

Developed a 15-month Action Plan with Manitoba Hydro for the implementation of the NFA for Cross Lake First Nation.

Participated with Canada in the transfer of provincial Crown land to reserve status for the Cross Lake First Nation to meet Northern Flood Agreement obligations.

In conjunction with Manitoba Hydro and the Cross Lake Trappers Association, continued work on a study of the Cross Lake trapping industry.

In conjunction with Manitoba Hydro, Cross Lake First Nation and Cross Lake Community Council, built and activated an emergency radio telecom service complete with tower, base station, portable units and training to local emergency responders.

In conjunction with the Department of Intergovernmental Affairs, implemented a Tax Loss Compensation Program and Guidelines for municipalities where lands are to be converted to reserve status for treaty land entitlement purposes.

Continued working with the commercial fishers of Berens River and other fishing communities on Lake Winnipeg to assist them in the development of their associations and to improve the viability and sustainability of their fishing industry.

19.2(C-2) Agreements Management

Expenditures by Sub-Appropriation	Actual 2003/2004 $	Estimate 2003/2004 FTE	Estimate 2003/2004 $	Variance Over (Under)	Expl. No.
Salaries & Employee Benefits	360.9	6.00	433.2	(72.3)	
Other Expenditures	252.2		139.3	112.9	(1)
Agreements Implementation	1,130.8		1,355.0	(224.2)	(2)
Total Expenditures	**1,743.9**	**6.00**	**1,927.5**	**(183.6)**	

(1) The variance represents costs associated with TLE implementation.
(2) **Land survey costs were lower than anticipated.**

Policy and Strategic Initiatives

To ensure that departments modify current policies and program delivery in the areas of health, education, social services, justice, economic and community development to achieve improved well being for Aboriginal Manitobans.

To negotiate and implement self-government options; and

To provide and leverage financial and technical resources in support of Aboriginal capacity building initiatives.

Activities:

Promoted the development of better relations and an atmosphere of partnership and trust between government and the Aboriginal community:

- Through informational presentations to government and non-government groups,
- By working with Aboriginal organizations in the preparation of business plans reflecting common goals and issues, and
- Through the coordination of forums for information sharing between government departments and Aboriginal organizations on common goals and issues.

Promoted the development of coordinated Aboriginal policies and programs which enhance the ability of the Province to respond to Aboriginal issues in a timely and effective manner:

- Took the lead, or participated in, interdepartmental or intergovernmental working groups and steering committees such as the Urban Aboriginal Strategy, Healthy Child Manitoba, Neighbourhoods Alive, Manitoba Suicide Prevention Committee, Aboriginal HIV/AIDS Strategy, Island Lake Health Working Group, and Swampy Cree Mediation on Health to develop or review policies, programs and initiatives;
- Maintained liaison with other provincial departments to ensure continuity and consistency of program development and implementation;
- Responded to departmental requests to review policies, programs and proposals and provide advice on matters of concern for Aboriginal Manitobans; and
- Coordinated information on government activities in response to Aboriginal Justice Implementation Commission (AJIC) report recommendations and provided reports to the AJIC Committee of Cabinet.

Developed strategies to address the needs of Aboriginal people.

- Participated on the Northern Development Strategy Coordinating Group and interdepartmental working groups on health, education, housing and economic development to maintain continuity of information and planning on northern development;
- Continued implementing the Aboriginal employment strategy and signed two additional agreements with Regional Health Authorities to promote the recruitment, employment and retention of Aboriginal people in all levels of employment within their workforces and the employer groups that they represent;
- Co-chaired the Northern Hiring working group and made recommendations on a Northern Hiring process;
- In partnership with the Department of Education, Training and Youth, provided funding to Partners for Careers for a store front operation in Winnipeg and to continue work with Manitoba Association of Friendship Centres with placing Aboriginal graduates in careers.

Provided a coordinated Provincial response to Aboriginal requests for assistance and support for Aboriginal initiatives such as:

- Assistance to Manitoba Keewatinook Ininew Okimowin Inc. and the Aboriginal Council of Winnipeg with development of Aboriginal economic development strategies; and
- Initiated an interdepartmental committee to review and recommend provincial response to the First Nations, Metis and Inuit Mobility Study.

Provided and leveraged financial and technical resources in support of Aboriginal capacity building initiatives.

- Administered the Aboriginal Development Program by:
  - receiving business plans from eight Aboriginal organizations, disbursing core funding to the Manitoba Association of Friendship Centres, the Manitoba Metis Federation, the Assembly of Manitoba Chiefs, the Indian and Metis Friendship Centre of Winnipeg, the Manitoba Keewatinook Ininew Okimowin Inc., the Southern Chiefs Organization, Mothers of Red Nations and the Manitoba Aboriginal Sport and Recreation Council, and monitoring outcomes,
  - providing funding to the Manitoba Metis Federation Inc. and the Aboriginal Council of Winnipeg in support of tripartite negotiations, and
  - assessing project proposals and disbursing grants for community-based projects benefiting Aboriginal communities.
- Administered and monitored the Aboriginal Economic and Resource Development (AERD) Fund by assessing project proposals from community-based Aboriginal groups, making recommendations on project funding and disbursing grants.

Took the lead in the tripartite process representing Manitoba in discussions and negotiations relating to self-government and federal provincial cooperative arrangements for Aboriginal peoples in forums such as:

- Participated with Sioux Valley First Nation and Canada in the development of a Comprehensive Agreement, which may result in a model for future provincial community-based self-government agreements;
- Participated in the tripartite process with the federal government and the Aboriginal Council of Winnipeg to develop initiatives to address the priorities of Aboriginal people living in Winnipeg;
- Participated in tripartite discussions with the Manitoba Metis Federation and the federal government to consider matters of priority to the Metis.
- With Family Services and Housing, entered into the Framework Agreement Initiative negotiations with the Assembly of Manitoba First Nations and Canada on the Child and Family Services side-table; and
- With the departments of Conservation and Justice, provided representation on inter-provincial meetings with Canada and the Metis National Council regarding Metis Aboriginal rights, in particular with hunting/harvesting rights stemming from the Supreme Court decision on the Powley case.

Cooperated with other provinces, territories and national Aboriginal groups to address Aboriginal issues.

- Participated on the Federal/Provincial/Territorial/Aboriginal (FPTA) working groups for compilation of reports on Aboriginal housing and education as directed by the FPTA Forum of Ministers and Leaders of Aboriginal Affairs;
- Worked with the National Aboriginal Youth Strategy working groups to develop a cultural, education, political and social (CEPS) leadership training model for Aboriginal youth development; and
- Continued board membership on the Aboriginal Human Resource Development Council of Canada and related activities with Aboriginal employment and training.

Major Accomplishments include:

Multi-party partnership agreements were signed with Manitoba Keewatinook Ininew Okimowin Inc., and Brandon and Burntwood Regional Health Authorities in which the parties agree to work together with the Aboriginal community on the six-point agreement towards increased Aboriginal participation in the workforce. The department also co-hosted the first gathering of Aboriginal human resource practitioners and strategists in November 2003.

In participation with Federal/Provincial/Territorial/Aboriginal (FPTA) Ministers and Leaders of Aboriginal Affairs, continued support of national and regional initiatives under *Strengthening Aboriginal Participation in the Economy* such as the National Aboriginal Youth Strategy and national working groups on the additional priorities on Aboriginal education and housing. The Western/Territorial Deputy Ministers met twice with federal Deputy Ministers to discuss collaboration and cooperation on Aboriginal policies and programs.

Aboriginal and Northern Affairs held a one day Forum in May 2003 on Aboriginal participation in the economy, and received Cabinet approval in February 2004 to initiate a provincial strategic plan for Strengthening Aboriginal Participation In The Economy (SAPE). The SAPE working group, in partnership with Canada and Mothers of Red Nations, also launched a pilot of an Aboriginal women's business guide, Journey To Success, in March 2004.

The Northern Food Prices Report was presented to Cabinet and approval was received to proceed with planning and securing resources for implementation of a Northern Healthy Foods Initiative. This Initiative is scheduled to be implemented in 2004-2005.

The province signed a Memorandum of Understanding with Canada and the City of Winnipeg on an Urban Development Agreement. Aboriginal and Northern Affairs is leading the development of the Aboriginal component which will focus on Aboriginal participation in the economy and support projects and initiatives on priority areas identified by the Aboriginal Partnership Committee.

A joint initiative between the Aboriginal Council of Winnipeg and Southern Chiefs Organization to establish an alternative community justice program was supported through the ACW tripartite agreement. Onashowewin, Inc. was officially launched in June 2003.

The Island Lake Memorandum of Understanding was renewed for another year and construction began on an interim dialysis unit center at Garden Hill which is scheduled to be operational the summer of 2004. Work is progressing on a regional board that will oversee the planning and implementation of a regional health centre to serve the communities in the Island Lake area.

Under the Aboriginal Development Program, $2,148,400 was provided to eight Aboriginal organizations in support of their core operations;
$300,000 was provided to two Aboriginal organizations in support of Tripartite Self-Government negotiations; and
$92,486 was provided in small grants to 58 community based capacity building projects.

In 2003/04, $1,256,262 in Aboriginal and Economic Development grants were committed to 63 projects with a budgeted value of $12,108,245. Total provincial commitment to these projects is $2,621,192 resulting in leveraged dollars outside provincial government sources of $9,488,200.

Up to 77 long term jobs were created through projects funded by the AERD Fund. In addition, up to 230 seasonal or short term jobs were created. Projects supported fall into the following categories:

- Culture/tourism 28%
- Health 20%
- Education/training 17%
- Job Strategy 13%
- Other/various social 22%

In addition to the above categories, 25% of all projects supported were consistent with the goals of the Northern Development Strategy, and 13% were consistent with the goals of the Strategy for Aboriginal Participation in the Economy (SAPE).

19.2(C-3) Policy & Strategic Initiatives

Expenditures by Sub-Appropriation	Actual 2003/2004 $	Estimate 2003/2004 FTE	Estimate 2003/2004 $	Variance Over (Under)	Expl. No.
Salaries & Employee Benefits	471.6	7.00	501.1	(29.5)	
Other Expenditures	136.4		131.0	5.4	
Aboriginal Development Programs	2,540.9		2,543.3	(2.4)	
Aboriginal Economic and Resources Development Fund	1,256.2		1,400.0	(143.8)	
Partners For Careers	200.0		200.0		
Total Expenditures	**4,605.1**	**7.00**	**4,775.4**	**(170.3)**	

Communities Economic Development Fund

Gordon Wakeling - General Manager and CEO

The Communities Economic Development Fund is a provincial Crown Corporation (*Communities Economic Development Fund Act – C155 Consolidated Statutes of Manitoba)* whose objective is to encourage economic development in Northern Manitoba with specific emphasis on the needs of small business and community development corporations. It may do so by providing financial and other forms of assistance. CEDF delivers services under 4 program areas.

The Business Loans Program provides financial assistance in the form of loans and loan guarantees for viable economic enterprises unable to obtain financing on acceptable terms from other sources. The loan applicants must comply with specific criteria, established in regulations, to become eligible. Business Loans can be for the purposes of start-up, expansion, and in certain cases restructuring.

The Fisherman's Loan Program (formerly under Part III of *The Fisheries Act)* assists the commercial fishery with the purchase or repair of fishing equipment and the purchase of quota entitlements. The program is available to licensed Manitoba commercial fishermen over 18 years of age.

The Fund's Team program is a micro-enterprise development program. The program supports clients with Technical Assistance, and Financial Assistance in the form of loans.

In addition CEDF delivers programs under the Rural Economic Development Initiative on a contract basis and can provide consulting assistance to communities and individual entrepreneurs in the North.

Details of the Development Fund's Financial Statement and current activities are available in its Annual Report.

19.2(D) Communities Economic Development Fund

Expenditures by Sub-Appropriation	Actual 2003/2004 $	Estimate 2003/2004 FTE	Estimate 2003/2004 $	Variance Over (Under)	Expl. No.
Total Expenditures	**1,489.8**		**1,514.9**	**(25.1)**	

Capital Grants Program

This program provides financial support to communities for the construction of municipal infrastructure and offers consulting services and support for the development of community capacity for project delivery.

The Capital Grants Program continues to place a priority toward upgrading of water and wastewater treatment facilities with over 65% of the $6.2 million capital budget dedicated to water and wastewater treatment. Water and sewer projects were funded in eight communities in 2003-04.

Other projects were prioritized and recommended by the Capital Review Board and the balance of the capital budget funded projects submitted by communities including requirements related to engineering and design, fire equipment, surveying and subdivisions and vehicle replacement. Projects and equipment funded this year included waste disposal sites (3), fire trucks (4), community halls (3), water, sewer and public works trucks (3), engineering studies (4) and a major road upgrade.

The Capital Program is delivered through a 5-year capital plan with priority given to projects necessitated by legislative requirements. Within the 5-year framework, specific projects are prioritized two years in advance to facilitate planning, engineering and design work.

Escalating costs for water and wastewater treatment technology and increasing standards demanded to ensure public safety have significantly impacted the Capital Program. To keep costs down, the department has successfully leveraged additional funding through the Canada-Manitoba Infrastructure Program and successfully negotiated a cost-sharing agreement with Indian and Northern Affairs Canada for a regional waste disposal site for Manigotagan, Seymourville, Bissett and Hollow Water First Nation. Negotiations are also underway for sharing costs on water and wastewater infrastructure for the communities of Brochet and Barren Lands First Nation.

19.3 Capital Grants Program

Expenditures by Sub-Appropriation	Actual 2004/2005 $	Estimate 2004/2005 FTE	Estimate 2004/2005 $	Variance Over (Under)	Expl. No.
Northern Communities	6,158.3	5.00	6,158.3	-	
Community Access and Resource Roads	235.0		235.0	-	
Total Expenditures	**6,393.3**	**5.00**	**6,393.3**	**-**	

Amortization of Capital Assets

Provides for amortization of the Department's share of the Desktop Management and the Better Methods (SAP) initiatives.

19.4 Amortization of Capital Assets

Expenditures by Sub-Appropriation	Actual 2003/2004 $	Estimate 2003/2004 FTE	Estimate 2003/2004 $	Variance Over (Under)	Expl. No.
Total Expenditures	**73.4**		**62.5**	**10.9**	

Financial Information

Reconciliation Statement

DETAIL	2003/2004 ESTIMATES
2003/2004 Main Estimates	$28,703.5
Transfer to Energy, Science & Technology	($10.9)
Transfer from Conservation	$106.9
2003/2004 GSI	$145.3
2003/2004 ESTIMATES	$28,944.8

Department of Aboriginal and Northern Affairs

Expenditure Summary

for fiscal year ended March 31, 2004 with comparative figures for the previous year

Estimate 2003/2004 $(000's)	Appropriation	Actual 2003/2004 $(000's)	Actual 2002/2003 $(000's)	Increase (Decrease) $(000's)	Explanation No.
	19-1 Aboriginal and Northern Affairs Executive				
29.0	a) Minster's Salary	28.8	28.3	.05	
	b) Executive Support				
790.7	Salaries	588.4	577.9	10.5	
237.8	Expenditures	230.6	238.4	(7.8)	
1,028.5		819.0	816.3	(2.7)	
1,057.5	**Total 19-1**	**847.8**	**844.6**	**3.2**	

Expenditure Summary (continued)

Estimate 2003/2004 $(000's)	Appropriation	Actual 2003/2004 $(000's)	Actual 2002/2003 $(000's)	Increase (Decrease) $(000's)	Explanation No.
	19.2 Aboriginal and Northern Affairs Operations				
	a) Financial and Administrative Services				
401.4	Salaries	356.8	380.1	(23.3)	
116.2	Expenditures	116.2	116.9	(.7)	
517.6		473.0	497.0	(24.0)	
	b-1) Programs and Operational Support				
199.4	Salaries	198.0	188.4	9.6	
91.4	Expenditures	74.2	80.5	(6.3)	
8,095.4	Community Operations	8,667.9	8,017.5	650.4	
478.5	Regional Services	467.5	569.1	(101.6)	
273.7	Grants	273.7	253.7	20.0	
9,138.4		9,681.3	9,109.2	572.1	
	b-2) Northern Region				
900.5	Salaries	802.4	745.7	56.7	
346.1	Expenditures	366.0	364.8	1.2	
1,246.6		1,168.4	1,110.5	57.9	
	b-3) North Central Region				
826.6	Salaries	857.8	792.5	65.3	
277.8	Expenditures	279.5	289.3	(9.8)	
1,104.4		1,137.3	1,081.8	55.5	

Estimate 2003/2004 $(000's)	Appropriation	Actual 2003/2004 $(000's)	Actual 2002/2003 $(000's)	Increase (Decrease) $(000's)	Explanation No.
	19.2 Aboriginal and Northern Affairs Operations (continued)				
	b-4) Northern Affairs Fund				
220.2	Salaries	199.3	184.3	15.0	
56.3	Expenditures	56.3	56.7	(.4)	
276.5		255.6	241.0	14.6	
	b-5) Program Planning and Development				
417.7	Salaries	400.3	390.5	9.8	
99.6	Expenditures	99.5	100.4	(.9)	
517.3		499.8	490.9	8.9	
	c-1) Support Services				
329.6	Salaries	314.3	338.2	(23.9)	
83.3	Expenditures	82.4	88.0	(5.6)	
412.9		396.7	426.2	(29.5)	
	c-2) Agreements Management				
433.2	Salaries	360.9	443.0	(82.1)	
139.3	Expenditures	252.2	262.0	(9.8)	
1,355.0	Agreements Implementation	1,130.8	4,545.7	(3,414.9)	(1)
1,927.5		1,743.9	5,250.7	(3,506.8)	

Expenditure Summary (continued)

Estimate 2003/2004 $(000's)	Appropriation	Actual 2003/2004 $(000's)	Actual 2002/2003 $(000's)	Increase (Decrease) $(000's)	Explanation No.
	19.2 Aboriginal and Northern Affairs Operations (continued)				
	c-3) Policy & Strategic Initiatives				
501.1	Salaries	471.6	368.0	103.6	
131.0	Expenditures	136.4	142.0	(5.6)	
2,543.3	Aboriginal Development Programs	2,540.9	2,218.0	322.9	
1,400.0	Aboriginal Economic and Resources Development Fund	1,256.2	1,224.9	31.3	
200.0	Partners for Careers	200.0	200.0	-	
4,775.4		4,605.1	4,152.9	452.2	
1,514.9	d) Communities Economic Development Fund	1,489.8	1,493.1	(3.3)	
21,431.5	**Total 19.2**	**21,450.9**	**23,853.3**	**(2,402.4)**	

Expenditure Summary (continued)

Estimate 2003/2004 $(000's)	Appropriation	Actual 2003/2004 $(000's)	Actual 2002/2003 $(000's)	Increase (Decrease) $(000's)	Explanation No.
	19-3 Capital Grants				
6,158.3	a) Northern Communities	6,158.3	5,158.3	1,000.0	(2)
235.0	b) Community Access and Resource Roads	235.0	235.0	-	
6,393.3	**Total 19.3**	**6,393.3**	**5,393.3**	**1,000.0**	
62.5	**19-4 Amortization of Capital Assets**	73.4	119.6	(46.2)	
62.5	**Total 19-4**	**73.4**	**119.6**	**(46.2)**	
28,944.8	**TOTAL EXPENDITURES**	**28,765.4**	**30,210.8**	**(1,445.4)**	

(1) In 2002-03 the department incurred costs for the northern flood agreement compensation settlement for the Norway House and Cross Lake Community Councils.

(2) The department capital grant allocation for the 2003-04 fiscal year was increased by $1,000.0.

(2) Department of Aboriginal and Northern Affairs

Expenditure Summary by Main Appropriation

for fiscal year ended March 31, 2004 with comparative figures for the previous year

Estimate 2003/2004 $(000's)	Appropriation	Actual 2003/2004 $(000's)	Actual 2002/2003 $(000's)	Increase (Decrease) $(000's)	Explanation No.
1,057.5	19-1 Aboriginal and Northern Affairs Executive	847.8	844.6	3.2	
21,431.5	19-2 Aboriginal and Northern Affairs Operations	21,450.9	23,853.3	(2,402.4)	
6,393.3	19-3 Capital Grants	6,393.3	5,393.3	1,000.0	
62.5	19-4 Amortization of Capital Assets	73.4	119.6	(46.2)	
28,944.8	**Total**	**28,765.4**	**30,210.8**	**(1,445.4)**	

Department of Aboriginal and Northern Affairs

Five Year Expenditure and Staffing by Appropriation ($000's)

For years ending March 31, 2000 - March 31, 2004

Actual/Adjusted Expenditures

Appropriation	1999-2000 FTE	1999-2000 $	2000-2001 FTE	2000-2001 $	2001-2002 FTE	2001-2002 $	2002-2003 FTE	2002-2003 $	2003-2004 FTE	2003-2004 $
Aboriginal and Northern Affairs Executive	13.00	852.7	13.00	846.4	13.00	997.5	13.00	844.6	15.00	847.8
Aboriginal and Northern Affairs Operations	67.50	17,057.4	68.50	19,388.1	66.50	19,946.0	66.50	23,853.3	65.50	21,450.9
Acquisition/Construction	6.00	2,608.5	5.00	2,602.5	5.00	2,903.3	5.00	5,393.3	5.00	6,393.3
Amortization of Assets		120.7		130.0		128.9		119.6		73.4
Total Expenditure	**86.00**	**20,639.3**	**86.50**	**22,967.0**	**86.50**	**23,975.7**	**86.50**	**30,210.8**	**85.50**	**28,765.4**

Department of Aboriginal and Northern Affairs

Revenue Summary by Source ($000's)

for year ended March 31, 2004 with comparative figures for the previous fiscal year

Actual 2002/2003	Actual 2003/2004	Increase (Decrease)	Source	Actual 2003/2004	Estimate 2003/2004	Variance	Expl. No.
			Other Revenue:				
			a) Sundry				
3.3	.3	(3.0)	Recoveries From Community Councils	.3		.3	
57.0	55.6	(1.4)	Chief Place of Residency	55.6	54.0	1.6	
60.3	55.9	(4.4)		55.9	54.0	1.9	
			Government of Canada:				
37.1	37.0	(.1)	a) Northern Flood	37.0	100.0	(63.0)	
97.4	**92.9**	**(4.5)**	**TOTAL DEPARTMENT**	**92.9**	**154.0**	**(61.1)**	